

ASRS WEEKLY REPORT

ARIZONA STATE RETIREMENT SYSTEM

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For the week ending Friday, July 28, 2006

This electronic report provides a briefing of news and notices important to our employer partners and our members. Please direct comments to WeeklyReport@azasrs.gov.

ASRS Employer News

2006 Employer Conference Information

The ASRS 2006 Employer Conference series is scheduled to begin in August with meetings taking place throughout the state.

These meetings are for representatives from member employer Payroll, Benefits and Human Resource departments and any staff who provide administrative support.

Meetings will be from 8:30 a.m. to 12:30 p.m. See schedule below.

Come learn about:

- > New legislation & legislative changes
- > Updates on contribution reporting
- > Rulemaking updates, including membership rules
- > Records management & the employer's responsibilities
- > Contribution rates and Permanent Benefit Increase
- > Advances in automated processes, including on-line forms
- > Updates to the ASRS website, including the new My ASRS Homepage
- > The ASRS Health Insurance and Long Term Disability programs

Additional meetings have been added to the Phoenix schedule with new dates in October and November this year! And, special meetings have been scheduled just for state agencies for September 7 at the ADOA Phoenix office.

Reservations Required for All Meetings!

Please RSVP at least two weeks in advance. Include in your email: the employer name, mailing address, name of those attending and their titles, contact phone number with area code, date & location of the meeting you'd like to attend. Send your email today to: weeklyreport@azasrs.gov

2006 Schedule

Phoenix

ASRS Office, 3300 N. Central Avenue
10th floor Board Room

August 2, 3, 8, 10, 15, 17, 29, 30
October 10 November 1

Tucson

ASRS Office, 7660 E. Broadway Blvd.
Suite 101

August 9, 31 September 28

Flagstaff

Coconino County Community College-4th St. Campus
3000 N. Fourth St., Lecture Room B34

August 22

Holbrook

Northland Pioneer College-Painted Desert Campus
Community Center, 2251 E. Navajo Blvd.

August 23

Show Low

Northland Pioneer College-White Mountain Campus
PC 101, 1001 W. Deuce of Clubs

August 24

Yuma

City of Yuma Complex-Conference Room 142
One City Plaza

September 12

Kingman

Kingman School District Board Room
3033 MacDonald Avenue

September 13

Prescott

Yavapai College-Performance Hall Green Room
1100 E. Sheldon Road

September 14

Bisbee

Cochise County Equipment Road Yard
1229 Hereford Road

September 19

Safford

City Hall Annex
808 S. Eighth Avenue

September 20

Globe

Gila County Courthouse-Board of Supervisors Hearing Room
1400 E. Ash Street

September 21

Special Meetings
State Agencies Only

ADOA Phoenix Office
100 N. 15th Ave., 3rd Floor Conference Room

September 7
9-11 a.m. & 1-3 p.m.

ASRS Member News

ASRS and Retirement Legislation from the 2006 Legislature

The 47th Legislature-Second Regular Session adjourned sine die on June 22, 2006. The general effective date for bills passed is September 21, 2006.

Below is a brief summary of bills that have been passed into law that may affect ASRS members. To view legislation in its entirety, please visit the Arizona State Legislature website at www.azleg.gov

House Bill 2103 – Termination Incentive Program (Laws 2006, Chapter 106)

This bill, signed by the Governor on April 12, 2006, clarifies statutory language put in place last year by changing the term “retirement” to “termination.” The statute regulates employer incentive programs that lead to employees terminating employment and any monetary incentives that may be provided that may affect contributions due to the ASRS.

House Bill 2340 – Repeal of the ASRS Modified DROP Program (Laws 2006, Chapter 12)

This bill, signed by the Governor on March 24, 2006, repeals statutes passed into law in 2001 and modified in 2003 that allowed for the creation of a Deferred Retirement Option Plan to be offered through the ASRS. Implementation of a modified DROP program would have lead to increased contribution rates for all members and employers.

Senate Bill 1167 – Optional Forms of Retirement (Laws 2006, Chapter 309)

This bill, signed by the Governor on June 1, 2006, amends statutes to limit the ability of a retired member of the ASRS to alternate between retirement benefit options. A member who retires after the effective date of the new law may exercise a one-time election to rescind the joint and survivor annuity or period-certain option and select a new annuity option, if the originally named annuitant dies or ceases to be a contingent annuitant under the terms of a qualified domestic relations order.

Note: The ASRS is awaiting a private letter ruling from the Internal Revenue Service that is required prior to implementation of this statute.

Senate Bill 1168 – Federal Conforming Changes (Laws 2006, Chapter 157)

Modifies state statutes to conform to federal law regarding: contributions paid for qualifying active members called to active military service; beneficiaries and payments made when no beneficiary survives the member; survivor benefit calculations and granting the ASRS Board the authority to determine a rate; and minimum required distributions of retirement benefits in accordance with the Internal Revenue Code.

House Bill 2082 – Spousal Notification (Laws 2006, Chapter 103)

This bill, signed by the Governor on April 12, places in law the following requirements on the part of the ASRS member:

- > A member is required to notify their current spouse at a beneficiary is designated, if the beneficiary designated is someone other than the current spouse; and,
- > A member is required to notify their current spouse at any time a change to their beneficiary or annuity option is made, if the current spouse is a beneficiary.

House Bill 2113 – Continuation of the ASRS (Laws 2006, Chapter 125)

This bill, signed by the Governor on May 8, 2006, extends the statutory life of the ASRS for 10 years through July 1, 2016.

Educational meetings offered to inform, assist members

The Member Services Division of the ASRS conducts educational meetings available to all members. Whether you're newly hired and want to learn about the benefits available to you, or you're ready to retire and want assistance filling out your paperwork and making annuity selections, the ASRS has a meeting for you.

Group Meetings are designed for members within one year of retiring. You'll learn about potential monthly benefits and options, completing retirement paperwork, health insurance, and return-to-work options.

Seminars are open to all members and are especially helpful to new members. You'll learn about the ASRS, benefits as an active, inactive and retired member, member responsibilities, retirement benefit calculations, wills and trusts and Social Security benefits.

Service Purchase Meetings are open to all members. Here you'll learn about the Service Purchase Program, the process for purchasing service, types of service available for purchase, cost calculations and payment options.

Visit our website and click on the Calendars section to see a full listing. Reservations are required and can be made by calling the Member Service Advisory Center at (602) 240-2000 in Phoenix, (520) 239-3100 in Tucson, or (800) 621-3778 outside Phoenix and Tucson.

ASRS Board & Committee Meetings

ASRS Board of Trustees

Friday, August 18, 2006, 8:30 a.m., ASRS Phoenix office, 3300 N. Central Ave., 10th floor Board Room.

Operations Committee

Thursday, July 27, 2006, 10:30 a.m., ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

Investment Committee

Wednesday, August 2, 2006, 5:30 p.m., ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

External Affairs Committee

Friday, August 4, 2006, 10 a.m., ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

Note: All Board & Committee meetings are open to the public and your attendance is encouraged. Schedules, agendas and minutes of meetings are posted on our website and are available at our Phoenix and Tucson offices.